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DEPARTMENT FOR ISN, IO

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TAGS: [KNPP](#) [IAEA](#) [AORC](#) [IR](#)
SUBJECT: IAEA/IRAN: P5+1 DIVERGE AS RUSSIA AND CHINA SEE
POSITIVE MOMENTUM

REF: UNVIE 694 AND PREVIOUS

Classified By: Ambassador Gregory L. Schulte for reasons 1.4 b, d, h

¶1. (S) Summary: P5 1 Ambassadors could not come to agreement in a November 20 meeting on any common approach in the November Board on Iran. The EU3 and the U.S. downplayed the work plan as a tool and focused concerns on the Agency's diminishing knowledge of the current Iranian nuclear program and the concomitant increase in Iran's enrichment capacity. Russia and China underlined the work plan's "positive momentum", though they acknowledged that Iran should suspend enrichment and implement the AP, as the DG report had urged. In China's view, Iran had provided "sufficient" cooperation to the Agency and P1 and P2 issues were basically solved. Tang further questioned the urgency for another UNSCR and the sincerity of U.S. diplomatic efforts in a separate meeting with Ambassador Schulte. China and Russia also did not support any Board resolution at this time, and declined to consider a joint P5 1 press statement. End Summary.

Glass Half-Empty

¶2. (C) German Ambassador Gottwald invited P5 1 Ambassadors to share their assessment of the DG's report on Iran. He commented on the desirability of returning to a consensus Board resolution but acknowledged that this was not realistic, though French Ambassador Deniau still did not rule out the possibility. He noted the EU and EU-3 statements were not yet completed. Gottwald believed the Board should reconfirm its decisions urging Iran to take decisive steps. He underlined that the work plan was only one step and only part if the overall issue.

¶3. (C) UK Ambassador Smith agreed with this assessment and noted that the September Board had made the work plan too much of the issue. The key question was not our satisfaction with the work of the Secretariat but with Iran's cooperation. He acknowledged that the work plan had brought one or two new elements to light and that Iran had provided some information and access, but cooperation remained grudging and unsatisfactory. Given the modest results, work plan implementation was far from positive. Smith also underlined the DG's conclusion that knowledge of Iran's nuclear program was diminishing. He too remained open to a resolution but energetically so.

¶4. (C) Ambassador Schulte highlighted the DG report's assessments that the Secretariat was not in a position to draw conclusions as to the original nature and scope of the Iranian nuclear program; that Iran had provided reactive rather than proactive cooperation not having made a strategic decision to change its relations with the IAEA; and that knowledge of the current nuclear program had diminished, even

if some light was shed on the 1980s and 1990s. He also cited the fact that since the last DG report in August, Iran had increased the number of centrifuges by 50% to 3000 and was feeding 80% more uranium hexafluoride. All in all, Schulte concluded, this was not a positive report, and the Board should recall its past decisions on suspension and the need for full cooperation. He noted that for the first time, the DG urged Iran to implement the AP and confidence building measures, including suspension.

15. (C) French Ambassador Deniau argued that the dual track was effective because international pressure was working to an extent. He underlined the fact that the work plan was only a tool, and only "part of a part" of the problem, and that we should not lose sight of the big picture, including suspension, and implementation of the AP and Code 3.1. to assess present and future issues. In a nutshell, the report demonstrated that enrichment had increased while the Agency's knowledge had diminished. The work plan had not been much of a success. Only the plutonium issue had been closed, and despite the DG's expectations in September, no other questions had been closed/resolved. Deniau argued that the process cannot be allowed to drag on but must be brought to a conclusion sooner rather than later. Ambassador Schulte agreed that the work plan was a tool, which Iran had unfortunately used to negotiate and limit its cooperation with the IAEA. Iran had failed the DG's litmus test, and had not met the DG or the Board's demands. The dual track could only be effective, Ambassador Schulte noted, if fully implemented. In that regard, a third UNSCR was long overdue even as the IAEA process continues. The 60-day timeframe envisioned in UNSCR 1747 had expired in May.

Glass Half Full

16. (C) Russian Ambassador Zmeyerovsky recalled how eager the Board had been to extract something positive from Iran last February-March. He assessed important positive momentum in the implementation of the work plan, despite some weak points, and noted the Iran was following up on its commitments ahead of schedule. At the same time, Russia shared the DG's view on the need for implementation of the AP and confidence building measures. Zmeyerovsky concluded that we should encourage positive momentum on the work plan, while sending a "clear signal" on Iran's other obligations. He continued to favor an incremental approach. Russia agreed that this was not the best time for a Board resolution, which could "wreck havoc" on any Vienna consensus.

17. (C) Chinese Ambassador Tang was even more forward leaning in his assessment of the "positive progress" on work plan implementation. He observed that Iran had provided "sufficient" cooperation to the Agency and that P1 and P2 issues were basically solved. Iran's cooperation was sincere, in China's view, though not enough. Tang agreed with the Russian stance on sustaining the positive momentum and allowing the Agency to finish the work plan. China also shared concerns in the DG report that Iran had not suspended enrichment and construction of Arak. In response to Board and UNSC demands, Iran should show some flexibility on suspension, he noted. At the same time, Tang cautioned, "other parties" must create favorable conditions for cooperation and take no actions to escalate the standoff. China continued to support the dual track approach, and saw the results of the work plan as effective. China also did not support a Board resolution at this time.

18. (S) Tang had provided Ambassador Schulte much the same assessment in a November 19 meeting. He stressed that China sought a diplomatic, not a military solution, and cautioned that if the United States denies progress by Iran and the IAEA, to a certain extent this denies the U.S.'s diplomatic efforts. Tang acknowledged the need for diplomatic pressure on two fronts, in Vienna and in the Solana-Iran talks. Ambassador Schulte assured him of our support for a

diplomatic solution, explaining that the United States viewed sanctions as a "third front" to pressure Iran to abandon its nuclear aspirations. Tang questioned whether the sense of urgency for a third UNSCR was warranted given, he claimed, U.S. intelligence estimates that it would take Iran ten years to produce sufficient material for a nuclear weapon. He also noted that the P5 1 Ministers agreed not to proceed with a resolution until both the DG and Solana's reports were issued. Tang assured the Ambassador that China had always worked to enforce UNSCRs, and emphasized our common objective. China's position was that Iran should 1) cooperate fully with the IAEA and make substantial progress; 2) show flexibility on suspension of uranium enrichment and give serious consideration of freeze proposals; and 3) conduct negotiations with EU as soon as possible to solve the uranium enrichment issue.

Room for Common Ground?

¶9. (C) Gottwald observed several common points among P5 1 members, including the fact that that progress had not been sufficient; that the work plan should not be the sole focus; and that Iran must respond to Board and UNSC demands and implement the AP, failure of which had led to the Agency's diminishing knowledge. By underlining common principles, the P5 1 could press Iran to negotiate. He cited Ahmadinejad's recent flip-flop on the Saudi proposal as proof that Iranian positions were fluid, and noted that the June 2006 offer was not well known in Iran. Gottwald expressed some optimism that, if so motivated, Iran could provide additional pieces of the work plan "puzzle" in the next few weeks. The P5 1 must send the right message to induce cooperation on both of the dual tracks. The New York process is also indispensable, he said, arguing that Iran should be prepared to shut down Natanz and "hand over the keys to the Swiss" now it has made its point on enrichment.

¶10. (C) Deniau suggested a common statement on fundamentals or a press statement, as an expression of unity among the P5 1 Missions. Gottwald believed that a common denominator existed and supported such an effort to mark a common sense of purpose in Vienna. Russia was reluctant and China argued that Missions should rely on the September P5 1 Ministers statement, which Gottwald assured continued to be the guideline. The UK cautioned that a P5 1 statement could not set too low a common denominator and must de minimus convey shared dissatisfaction with Iran's non-compliance with Board

and UNSC resolutions and concern over the Agency's diminishing knowledge, points which he believed should also be reflected in national statements to the Board. Upon hearing this, Zmeyerovsky doubted that a common statement could be agreed upon, given "nuances" regarding positive and negative aspects. Russia clearly intended to emphasize the positive. The DG's report, he concluded, would have to serve as the common denominator.

Comment

¶11. (C) We expect that P5 1 national statements in the Board will underline core principles, in particular, the DG's urging that Iran implement the AP and confidence building measures in compliance with UNSC resolutions. However, Russia and China will clearly give the DG's report a positive spin in the hopes of delaying immediate UNSC action.

SCHULTE